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UNCLAS SANTO DOMINGO 004215

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CIS-CARLOS ITURREGUI;
STATE PASS USTR FOR VARGO AND MELITO

E.O. 12958: N/A

TAGS: [ETRD](#) [PREL](#) [DR](#) [PGOV](#) [CAFTA](#)

SUBJECT: DOMINICAN REPUBLIC RATIFIES DR-CAFTA

1. (U) Summary: The Dominican Republic on September 6, in a vote in the lower house of Congress, ratified DR-CAFTA. All that remains are steps expected to occur promptly: A "protocolary act" to be signed by President Fernandez and publication of the DR-CAFTA text in the Official Gazette. The strong majorities achieved in both houses of Congress bode well for legislation that will be needed for DR-CAFTA implementation. End summary.

2. (U) The lower house of the Dominican Republic's Congress, the Chamber of Deputies, voted September 6 to ratify the nation's adherence to DR-CAFTA, the regional free trade agreement with the United States, signed by the Dominican Republic on August 5, 2004. The vote was an overwhelming 122 in favor, 4 against (from the opposition PRD), with 20 abstentions. All three main political parties instructed their legislators to ratify.

3. (U) The Dominican Senate had voted to ratify DR-CAFTA on August 26 by a vote of 27 in favor and 2 against, so the September 6 vote in the Chamber of Deputies was the last political hurdle for ratification.

4. (U) According to our contacts, few steps remain before DR-CAFTA (a treaty for the Dominican Republic) becomes law: Congressional transmission of the ratification to the Presidency, signature of a "protocolary act" by President Fernandez, and publication of the treaty text in the Official Gazette. These are expected to occur promptly.

5. (U) The Ambassador, an hour and a half after the vote, met with Chamber of Deputies president Alfredo Pacheco (PRD) and some 20 other legislators and congratulated them on their decision to ratify, which he said would transform trade relations between the Dominican Republic and the United States. Former Dominican Institute of Telecommunications (INDOTEL) president Orlando Jorge Mera, one of the Dominican negotiators of the treaty, was on hand as the current PRD secretary general. (Comment: He had evidently attended the

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session to encourage PRD legislators -- the strongest bloc in the chamber -- to vote yes. End comment.)

Comment

6. (U) The ratification vote culminates more than three years of effort by the Embassy, Washington, and Dominican officials of two administrations to prepare the country for inclusion in DR-CAFTA, negotiate and sign the text, and convince Dominican legislators against determined efforts by special-interest lobbies fearful of the treaty's impact. In the end, after many diversions and delays, the ruling PRD of President Fernandez and the main opposition parties, especially the PRD of former President Mejia (whose administration had negotiated and signed DR-CAFTA), put aside partisan squabbling and achieved strong majorities in both houses of Congress. This strong mandate bodes well for cooperation on legislation, such as fiscal reform, which will be needed in connection with implementation of DR-CAFTA.

HERTELL